



The Energy Policy Act: Past, Present, and Future

Clean Cities National Conference

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Summary

- Good News - EPACT works
- Bad News - Not well enough
- Future - Prognosis Good



Transportation Policies

Policy	Year	Regulations & Standards	Financial Incentives	Information
EPCA (CAFE)	1975	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
AMFA	1988	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
EPACT	1992	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ISTEA & TEA-21	1991 & 1996		<input checked="" type="checkbox"/>	

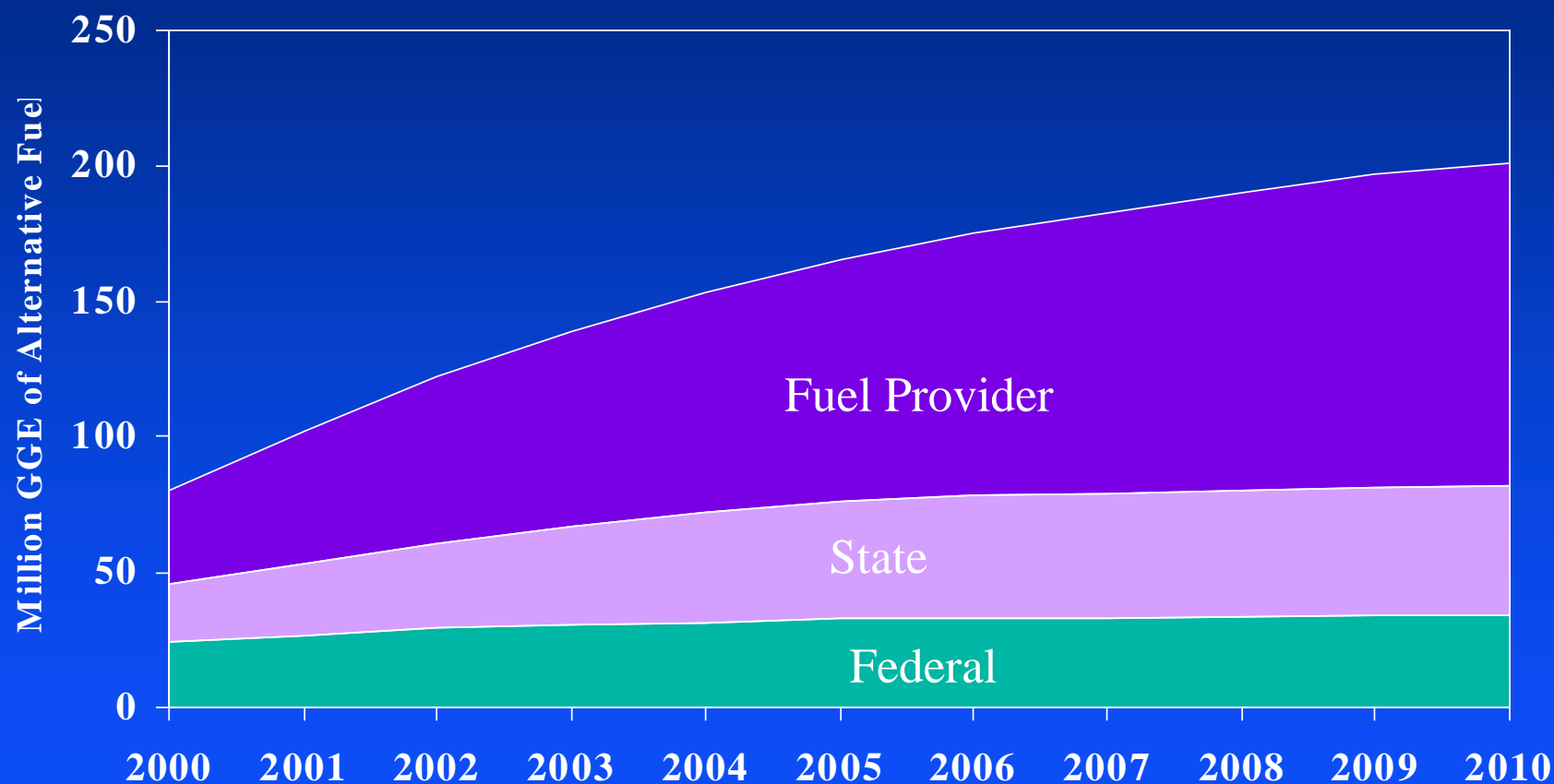


The Energy Policy Act Looks Good on Paper

- Aggressive Goals
 - ◆ 10% by 2000 and 30% by 2010
- Grants and incentives
- Voluntary programs
- Public Information
- Fleet mandates



Fleet Programs Heading In Right Direction





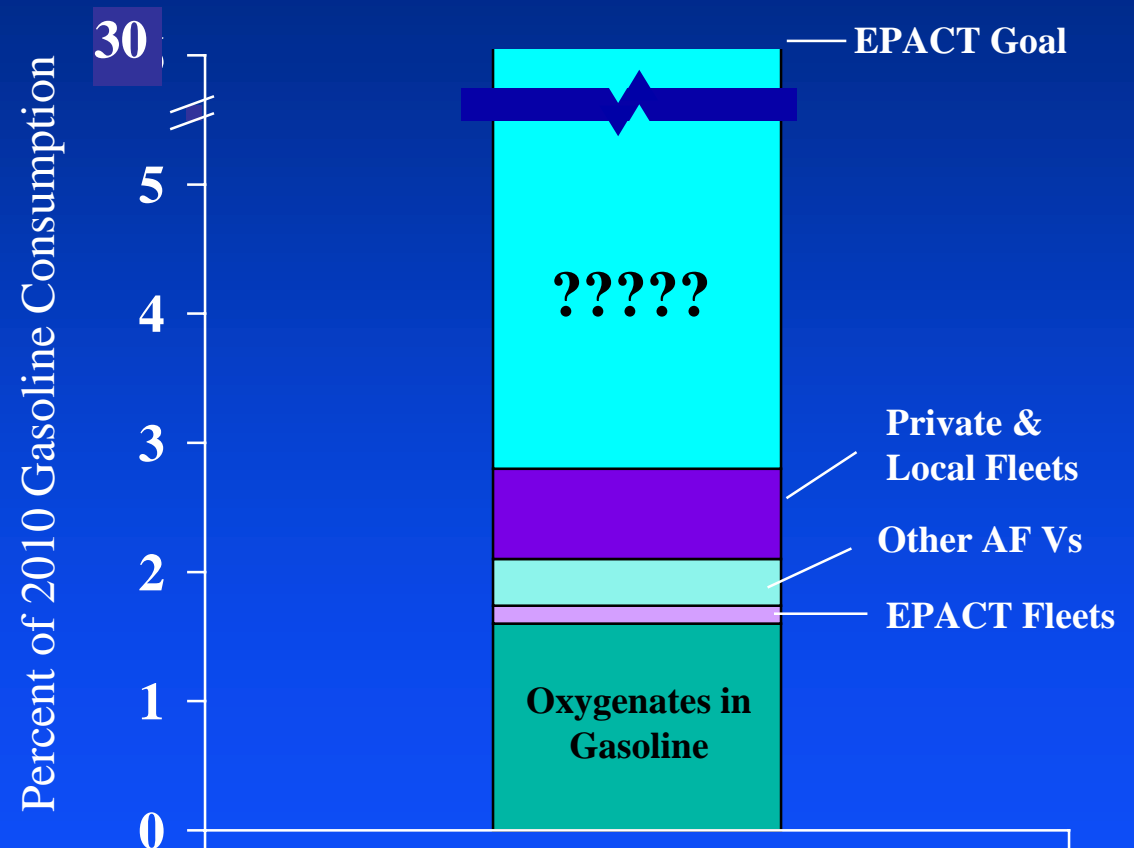
Other Parts of EPACT Working Too

- Clean Cities has 80 coalitions; thousands of vehicles
- Lots of good public information on AFVs
- Refueling stations have grown
- Dozens of AFVs offered by OEMs
- AFVs in the U.S. the best in the world



But Progress falls short of the EPACT Goals

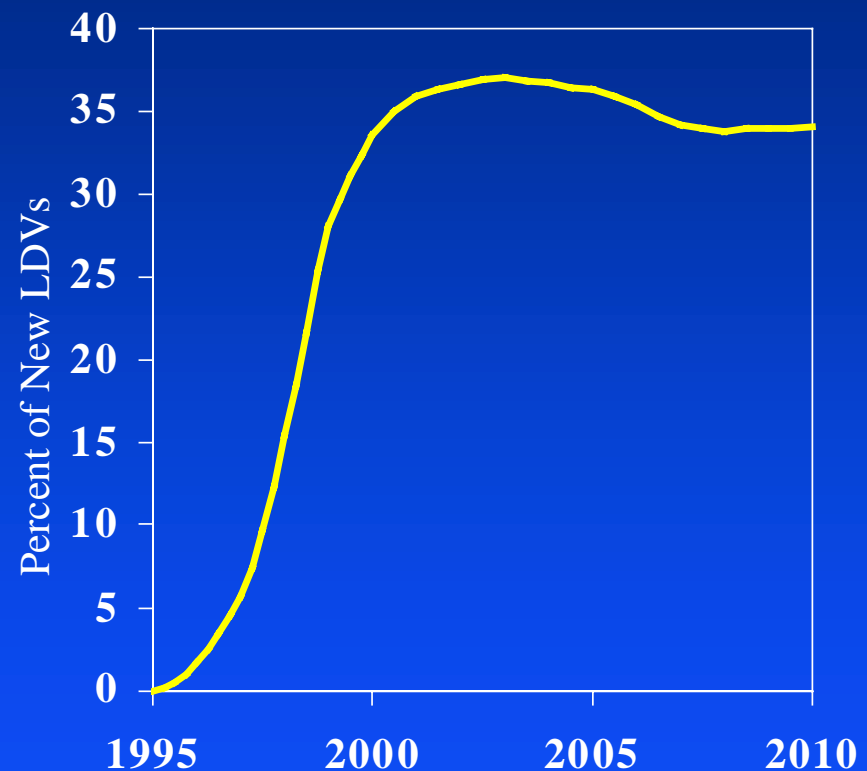
- 30% is about 30-40 Billion gallons
- Oxygenates in gasoline are assumed to continue
- Existing EPACT fleets and other AFVs contribute about 0.4%
- Including Private & Local Fleets in EPACT could add at most 0.7% by 2010





What Had to Have Happened to Meet EPACT Goals

- To meet the EPACT goals would have required:
 - ◆ about 6% of all LDVs in 2000 to be AFVs
 - ◆ about 35% of all new LDVs in 2000 and beyond to be AFVs





Assumptions in 1992 EPACT

- Barriers are primarily informational
- Vehicle mandates solves “chicken/egg”
- Fleets are uniform, centrally refueled, and easily regulated
- Small tax incentives and grants are sufficient to push the market
- Fuel providers have bottomless pockets



Common Legislative Pitfalls

Pitfall

- One-size fits all
- Many authors
- Over-aggressive goals
- One technology solution
- Short-term thinking
- Partial solution

Better Approach

- Flexibility
- Core principles
- Realistic goals
- Performance requirement
- Long-term
- Carrot and stick



EPACT Report Card

Pitfall

- One-size fits all
- Many authors
- Over-aggressive goals
- One technology solution
- Short-term thinking
- Partial solution

EPACT

- Yes
- Yes
- Yes
- Not quite; but to much on light duty
- Yes
- Yes



The Future of EPACT





What Stakeholders Want

- Require fuel use; count fuel use
- Credits for medium and heavy-duty; and/or include in the program
- Credits for specialty vehicles and hybrids
- Credits for infrastructure
- Credits for non-covered fleets



More from Stakeholders...

- Credit trading with Federal fleets
- Flexibility for State plans

What they really want is a
long-term commitment to a real EPACT



Can EPACT Be Fixed?

■ Regulatory Fixes

- ◆ We will work hard to the limit of our authority

■ Legislative Fixes

- ◆ Good news: Proposals in Washington are written in ways that presume EPACT is working and will be there in the future
- ◆ Bad news: Same



Prognosis IS Good

- Environmental drivers
- Energy drivers
- Barriers can be overcome

We have a window of opportunity
Let's use it



THANK YOU